

DEPARTMENT OF ENVIRONMENTAL QUALITY

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EPA announcement on greenhouse gasses will affect Louisiana

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BATON ROUGE – On Wednesday, the U.S. Environmental Protection Agency announced a proposed rule that would apply to facilities that emit 25,000 tons or more of greenhouse gases per year. The proposal would require reductions to greenhouse gas emissions by having new facilities or existing facilities that undergo a major modification that triggers Prevention of Significant Deterioration to install best available control technology, also known as BACT. Prevention of Significant Detention, also known as PSD, is an air pollution permitting program intended to ensure that air quality does not diminish due to construction of new facilities or changes to existing facilities. The PSD program requires an analysis for the purpose of selecting the most appropriate controls for emissions prior to construction.

Under the EPA proposal, when a facility is at or above the 25,000 ton per year threshold for carbon dioxide or equivalent gasses it becomes a "major source," and will have to obtain a Title V air permit. Existing facilities that already operate under a Title V air permit and are over 25,000 tons per year threshold would be required to include estimates of their greenhouse gas emissions in their permit applications at the next renewal. New or modified facilities with greenhouse gas emissions that trigger PSD would be required to install best achievable control technology and implement energy-efficient measures to minimize greenhouse gas emissions. At this time, there is no set BACT for greenhouse emissions.

The EPA estimates approximately 14,000 facilities nationwide would have to obtain a Title V or modify their existing Title V permits to include their greenhouse gas emissions. The EPA also states that an additional 400 new facilities, or those undergoing modifications, would be subject to PSD review in a given year. Currently, Louisiana has more than 700 Title V permit holders that may be affected should they undergo any modification to their facility or when their permit is up for renewal. There will also be a large number of "minor source" permit holders who could be elevated to major source and be forced to obtain a Title V permit.

Many types of facilities have the potential to be affected. Some include: power plants, paper mills, landfills, refineries, and other industrial sources. Currently, DEQ staff is conducting a comprehensive review of the proposed rule to determine the impact of this rule on Louisiana industry, such as the oil and gas industry, as well as the impact on DEQ's permitting and compliance activities.

The proposal has yet to be listed in the Federal Register. Once it is, there will be a 60-day comment period. DEQ is currently researching the proposal and will prepare comments to the EPA proposal based on what would be best for Louisiana.